

Financial Aid News

WASHINGTON HIGHER EDUCATION COORDINATING BOARD

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HECB strategic plan calls for more degrees, full SNG funding

Public hearings on draft plan set for Nov. 10 and 13

The Higher Education Coordinating Board is calling for a 20 percent increase in the number of students earning college degrees and the consolidation of three state agencies into one statewide governing board.

In a draft of its long-term higher education plan for the state, the 10-member citizen board also said the state should increase funding for the State Need Grant program to provide 100 percent of public tuition for students with family incomes at or below 65 percent of the state's median. And the board proposed a new financial aid program for low-income working people.

"A business-as-usual approach isn't going to get the job done for Washington college students and the businesses that need to hire them," said Bob Craves, chair of the board. "Our colleges need to enroll and graduate more students, and to become more responsive to the needs of the economy. At the state level, we need to invest more funding and make sure we get a strong return on the taxpayer's dollar."

By 2010, the draft plan calls for:

- Increasing by 15,000 the number of students who earn bachelor's, associate's, graduate and job training degrees each year.
- Improving the economic responsiveness of Washington's colleges and universities by creating more education and job training opportunities for students in high-demand fields.
- Providing increased research funding to help Washington universities contribute to the state's economic development.
- Allowing selected branch campuses and community colleges to evolve into four-year universities if such developments meet local community and business needs.
- Increasing funding for the State Need Grant program and creating a new financial aid program for low-income workers who need training to move up their career ladders.
- Streamlining state higher education management by consolidating the HECB, the State Board for Community and Technical Colleges, and the Workforce Training and Education Coordinating Board into a strong statewide governing board with authority over college budgets and policies.

The board has scheduled two hearings in November to hear public reaction to the plan. The first will take place Monday, Nov. 10, in Spokane, from 7:30 to 10 a.m. in Room 110B of the Health Sciences Building at the Spokane Riverpoint higher education campus. The second will be on Thursday, Nov. 13 in SeaTac, from 11 a.m. to 1:30 p.m. in the Chaps Ballroom of the Radisson Hotel, 17001 Pacific Highway South.

The plan is available on the board's Web site: [Draft interim plan](#). A press release outlining the plan is also online: [HECB says state needs more college graduates](#). Several news organizations have reported about the plan. Links to some of the articles are here:

<i>The Daily News</i> (Longview)	Panel calls for more college grads
<i>The Seattle Post-Intelligencer</i>	Reform proposal for colleges shocks some
<i>The Spokesman-Review</i> (Spokane)	Washington predicts boom in college grads (AP)
<i>The News Tribune</i> (Tacoma)	Big plans for higher ed

SNG interim report due Nov. 7 **Five schools pilot new online process**

The first State Need Grant (SNG) program interim report for 2003-04 is due at the Higher Education Coordinating Board on Nov. 7. Colleges and universities submit the report quarterly. The information on the report helps board staff determine how many eligible students are being served, monitor expenditures, and ensure the fullest possible use of program funds.

Five schools are piloting a new Web-based method for submitting the interim reports this quarter. Staff expects that all interim reports will be submitted online beginning January 2004.

For more information, contact John Klacik at johnk@hecb.wa.gov or (360) 753-7851.

2002-03 Unit Record Report nears completion **Board plans improvements for 2004-05 report**

Board staff are close to finishing the 2002-03 Unit Record Report, the state's compendium of data about all need-based financial aid recipients.

Every year, colleges and universities provide information about each recipient of need-based aid at their campuses for the Unit Record Report. The report includes the types and sources of aid needy students received as well as specific information about them — including race, gender, and income.

This year, 68 out of 71 institutions submitted their reports by the Oct. 10 deadline. Over the next few weeks, the board's research staff will be collecting missing information and working with schools to correct errors in the report. The final report will be available by the end of December.

"We appreciate the schools' continued responsiveness to our requests for information," said Becki Collins, director of education services. "Having an accurate Unit Record Report ensures that we will have good financial aid information for the Legislature, and be better able to assess and demonstrate the need for financial aid programs."

Staff have also begun work on changes to the Unit Record, to take effect with the 2004-05 report. Proposed changes include additions, deletions, and modifications to the required data elements, including: new race and ethnicity definitions, the number of credits students attempted and earned each term, dependent student income, and student budget information.

An advisory committee began work on the proposed changes in April 2003. The board expects to publish the committee's work by early December.

For more information about the Unit Record, contact Bruce Parrish, research associate at the board, at (360) 753-7853 or brucep@hecb.wa.gov.

HECB appoints new program associate for financial aid

After a two-month search, the board has appointed Julie Japhet to be its new program associate for financial aid. Members of the search committee were impressed with Julie's extensive knowledge of governmental accounting and state financial systems and her reputation as a quick study and detail-oriented

manager. Her experience includes 18 years at the Washington State Department of Revenue.

Julie starts at the board on Nov. 10 and assumes the position formerly held by Chris Leeper. She will have day-to-day administrative responsibility for the State Need Grant and Future Teachers programs.

You will be able to reach Julie at juliej@hecb.wa.gov or (360) 753-7840.

SWS releases updated program histories

The State Work Study (SWS) program this week released updated versions of its Historical Summaries — reports that provide a complete history of each college or university's participation in the program. The summaries now extend from 1974 — when the Legislature created the SWS program — through 2002-03.

Each institution's summary includes annual information on its SWS program allocations and expenditures.

"We think the summary will be of special interest to financial aid directors and student employment administrators who are new to their positions," said Betty Gebhardt, associate director for education services at the board. "Some may also find it a helpful tool for conversations with deans and vice-presidents."

For more information about the summaries, contact Betty at bettyg@hecb.wa.gov or (360) 753-7852.

Change in student aid formula raises ire on both sides of the issue — and the aisle — in Congress

A controversial change to the student aid eligibility formula that could reduce student aid spending by \$10 billion in 2004-05 has sparked a letter-writing battle in the U.S. House of Representatives.

The debate centers on a Department of Education decision to update the state and local tax figures used in calculating how much families are able to pay toward higher education. While department officials initially described the impact as "minimal," the agency's own budget service estimated that as many as 84,000 students would lose Pell Grant eligibility as a result. Financial aid advocacy groups have claimed that the change will reduce overall student aid eligibility by as much as \$10 billion a year.

The Senate passed legislation to halt the formula change in September. In response, Rep. John Boehner (R-Ohio), chair of the House Education and the Workforce Committee, issued a letter calling on House members not to "fall for the partisan Pell Grant fraud." "The number of students receiving Pell Grants

has increased by nearly one million since President Bush took office, and will increase again next year under the administration's proposals," Boehner writes. Boehner attached a letter from Secretary of Education Rod Paige, who said "it is incorrect to allege that any current student will lose eligibility" because of the change.

In response to the Boehner and Paige letters, Rep. George Miller (D-Calif.) and Rep. David Obey (D-Wis.) issued their own letter to colleagues reiterating the Department's findings that "84,000 students will lose all eligibility for Pell Grants as a result of the updates."

You can read the letters online: [Don't fall for the partisan Pell Grant fraud](#) and [Department of Education estimates that 84,000 students will lose Pell eligibility](#).

The House has not taken action to block the Department's update to the student aid formula.

London calling: Textbooks on the cheap

Just like prescription drugs, college textbooks cost far less overseas than they do in the United States. According to an Oct. 21 *New York Times* report, textbook companies are selling books in other countries for half the going rate here — or even less.

Take Stephen D. Williamson's text, *Macroeconomics*. U.S. students pay \$114 on [Amazon.com](#) — the U.S. Web site for the online book giant. Yet they can buy the same book on [Amazon.co.uk](#) — the company's site in the United Kingdom — for just \$71.48. And Chi-Tsong Chen's *Linear System Theory and Design* costs a cool \$110 here, but only \$49.81 on the U.K site.

For Richard Sarkis and David Kinsley, former students at Williams College, the differences were enough to inspire a capitalist response of their own. For the past three years, the two have been building [BookCentral.com](#), a Web-based operation that sells textbooks from abroad to students in the United States.

"We couldn't understand why what costs \$120 here should cost \$50-something there," said Mr. Sarkis. "It seemed so sleazy of the publishers. We were sure that college students would be shocked and outraged if they knew about the foreign prices. But it's been this big secret."

According to the *Times*, the secret's starting to leak out. Some individual students have made tidy profits reselling foreign texts to their classmates. And groups of students have banded together to buy texts from overseas to save money. Even a few college bookstores have been buying from other countries.

"I buy from [Amazon.co.uk](#) and from sources in the Far East, and I knew more and more students were doing the same thing individually," said Tom Frey,

owner of the University Bookstore at Purdue University. Frey sells the new books from overseas at the same price as a domestic used text.

While copyright laws once protected publishers from resale of “foreign” texts in a domestic market, a 1998 Supreme Court ruling said copyrights do not protect American manufacturers from having products they arrange to sell overseas at discount prices shipped back for sale to the United States.

An abstract of the *Times* article is available online [Students find \\$100 textbooks cost \\$50, purchased overseas](#). The full article is available for purchase.